

Message Text

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ACTION AF-10

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E.O. 11652: N/A
TAGS: ELAB EIND, SF
SUBJECT: NEW SACC CODE FOR FOREIGN INVESTMENT

1. SUMMARY: AT LEAST PARTIALLY IN RESPONSE T EXTERNAL PRESSURE FROM CHURCHES ABROAD THE SOUTH AFRICAN COUNCIL OF CHURCHES PROPOSED A CODE OF ETHICS FOR FOREIGN INVESTORS IN SOUTH AFRICA AT ITS ANNUAL CONFERENCE. THE PROPOSED CODE WILL BE CONSIDERED BY CONSTITUENT CHURCHES AND A FINAL STAND WILL BE TAKEN AFTER DEBATE AT NEXT YEAR'S CONFERENCE. THE SACC CODE GOES BEYOND THE AMERICA BUSINESSMEN'S CODE IN RECOMMENDING INTER ALIA: IMMEDIATE RECOGNITION OF BLACK TRADE UNIONS; THE INTRODUCTION OF A TWO PERCENT VOLUNTARY SELF TAX FOR CONTRIBUTIONS TO BLACK EDUCATION; AND THE REFUSAL TO INVEST IN OR HELP PROJECTS WHICH INVOLVE THE MANUFACTURE OF ARMS.
END SUMMARY.

2. THE SOUTH AFRICAN COUNCIL OF CHURCHES (SACC) MEETING AT ITS ANNUAL CONFERENCE IN HAMMONSKRAAL ACCEPTED A RECOMMENDATION FROM ITS INTERNAL DIVISION OF JUSTICE AND RECONCILIATION TO
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REFER TO ITS CONSTITUENT CHURCHES A CODE OF ETHICS FOR FOREIGN INVESTORS IN SOUTH AFRICA.

3. THE RECOMMENDATION READS AS FOLLOWS: QUOTE:

A. IN VIEW OF THE FINDINGS OF THE COMMITTEE, IT IS RECOMMENDED THAT CONSIDERATION BE GIVEN BY THE CHURCHES IN SOUTH AFRICA

AND CHURCES OVERSEAS TO A CESSATION OF ALL FURTHER LOANS IN SOUTH AFRICA UNLESS AND UNTIL THE FOLLOWING REVISED CODE OF ETHICS FOR INVESTMENT IN SOUTH AFRICA IS ACCEPTED AND OBLIGATORY:

(1) NON-SEGREGATION OF THE RACES IN ALL EATING, COMFORT AND WORK FACILITIES

(2) EQUAL AND FAIR EMPLOYMENT PRACTICES FOR ALL EMPLOYEES

(3) EQUAL PAY FOR ALL EMPLOYEES AT MARET RATE DOING EQUAL OR COMPARABLE WORK FOR THE SAME PERIOD OF TIME

(4) INITIATION AND DEVELOPMENT OF TRAINING PROGRAMMES THAT WILL PREPARE IN SUBSTANTIAL NUMBERS, BLACKS FOR SUPERVISORY, ADMINISTRATIVE, CLERICAL AND TECHNICAL JOBS

(5) AN NCREASE IN THE NUMBER OF BLACKS IN MANAGEMENT AND SUPERVISORY POSITIONS

(6) IMPROVEMENT IN THE QUALITY OF EMPLOYEES' LIVES OUTSIDE THE WORK ENVIRONMENT

(7) IMMEDIATE RECOGNITION OF TRADE UNIONS AS A BASIS FOR FUTURE MANAGEMENT OF LABOUR NEGOTIATIONS

(8) ACTIVE ENCOURAGEMENT TO BE GIVEN TOWARDS THE ESTABLISHMENT OF SUCH UNONS WHERE THEY DO NOT EXIST

(9) THE PROJECT TO INTRODUCE LABOR INTENSIVE MANUFACTURE AND/OR DISTRIBUTION AS OPPOSED TO INCREASING MECHANISATION

(10) URGENT APPOINTMENT OF LABOR ADVISORS TO OPEN THE WAY LIMITED OFFICIAL USE

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FOR MULTI RACIAL COOPERATION IN COMPANIES

(11) ESTABLISHMENT OF COMMITTEES WITHIN THE VARIOUS TRADES TO SHARE INFORMATON AND PROBLEM-SOLVING TECHNIQUES

(12) INTRODUCTION OF VOLUNTARY 2 PERCENT SELF TAX ON GROSS PROFIT FOR CONTRIBUTION TO EDUCATION FOR BLACKS.

(13) THE LOCATING OF BLACK INITIATED AND CONTROLLED PROJECTS FOR SUPPORT AND ENCOUAGEMENT

(14) REFUSAL TO CONTINUE TO USE MIGRANT LABOUR UNLESS MARRIED ACCOMMODATION IS PROVIDED

(15) INVESMENT OF A CERTAIN PROPORTION OF THEIR INVESTMENT PORTFOLIO IN BANKING INSTITUTIONS WHICH WILL UTILISE FUNDS SOLELY FOR THE BENEFIT OF BLACKS

(16) ACTIVE REDUCTION OF FOREIGN SKILLED WORKERS BY REPLACING THEM WITH ADEQUATELY TRAINED BLACKS

B. APPOINTMENT OF A COMMITTEE WHOSE TASK IT WILL BE TO WATCH THE IMPLEMENTATION OF THE CODE AND ENSURE THAT ALL PROPOSALS ARE ADHERED TO, THE COMMITTEE TO COMPRISE MEMBERS FROM THE

CHURCH, INDUSTRY AND COMMERCE.

C. THE ESTABLISHMENT OF AN EDUCATION ASSISTANCE TRUST FOR THE AWARDING OF A SIGNIFICANT NUMBER OF BURSARIES FOR THE TRAINING IN TECHNOLOGICAL SKILLS.

D. CHURCHES IN MEMBERSHIP WITH THE SACC ARE URGENTLY TO INVESTIGATE THEIR OWN INVESTMENT PORTFOLIOS, WHETHER THE COMPANIES IN WHICH THEY ARE INVESTING: A) SUPPORT OF THE LIQUOR TRADE B) THE MANUFACTURE OF ARMS C) INVOLVED IN DISCRIMINATORY PRACTICES.

E. CHURCHES IN MEMBERSHIP WITH THE SACC TO TAKE IT UPON THEMSELVES TO DISCLOSE PUBLICLY HOW FAR THEY ARE IN REGARD LIMITED OFFICIAL USE

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TO THE EQUALISATION OF STIPENDS.

F. OVERSEAS DONOR BODIES AND CHURCHES TO IDENTIFY, IN COMMUNICATION WITH THE SACC, BLACK-INITIATED PROJECTS FOR URGENT DEVELOPMENT AND SUPPORT

G. THAT ACTIVE SUPPORT BE GIVEN TO ALL SCHEMES AIMED AT REDUCING UNEMPLOYMENT ON CONDITION THAT HUMAN DIGNITY IS PRESERVED.

H. THAT THE COMMITTEE SET UP AND INVESTIGATE CRITICAL GUIDELINES FOR INVESTMENT IN SOUTH AFRICA WITH A VIEW TO ESTABLISHING ETHICAL CRITERIA FOR INVESTMENT IN SOUTH AFRICA TO BE DRAWN FROM OVERSEAS CHURCHES, BODIES AND INVESTORS. END QUOTE.

4. IN A DISCUSSION WITH THE REGIONAL LAB OFFICER, THEO COGGIN INFO OFFICER, AND HARRY MAKUBIRE WHO IS CONNECTED WITH A NEW SACC PUBLICATION CALLED THE VOICE, EXPLAINED THAT THE ABOVE RECOMMENDATION WILL BE DISCUSSED AGAIN AT NEXT YEAR'S ANNUAL CONFERENCE AFTER THE COMMENTS OF THE MEMBER CHURCHES ARE RECEIVED.

5. COMMENT: THE NEW SACC CODE IS SEEN BY SOME OBSERVERS AS A RESPONSE TO THE LONG STANDING CHALLENGE BY OVERSEAS CHURCHES TO TAKE A STAND ON FOREIGN INVESTMENT. WHILE THE SACC CODE REFLECTS THE INFLUENCE OF THE SO CALLED SULLIVAN MANIFESTO, ITS GOES MUCH FURTHER IN CALLING FOR THE IMMEDIATE RECOGNITION OF BLACK TRADE UNIONS; THE ESTABLISHMENT OF A TWO PERCENT SELF TAX ON GROSS PROFITS FOR CONTRIBUTION TO BLACK EDUCATION; AND THE REFUSAL TO INVEST IN OR ASSIST PROJECTS WHICH HAVE TO DO WITH THE MANUFACTURE OF ARMS.

6. IT REFLECTS THE CONVICTION OF THE SACC LEADERSHIP THAT THE ONLY CURRENT HOPE FOR CHANGE IN SOUTH AFRICA IS THROUGH THE BUSINESS COMMUNITY. COGGIN, WHO IS A FORMER REPORTER FOR THE NATAL MERCURY AND PROGRESSIVE REFORM PARTY PUBLICIST, IS NOT LIMITED OFFICIAL USE

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OPTIMISTIC ABOUT THE PROSPECTS FOR GOVERNMENTAL CHANGES AWAY
FROM INSTITUTIONALIZED DISCRIMINATION. HE DOES NOTE,
HOWEVER, A GROWING REALIZATION AMONG THE PREDOMINANTLY BLACK
MEMBERSHIP OF THE SACC OF THE NEED TO ESTABLISH
DIALOGUE WITH AFRIKANERS RATHER THAN ENGLISH SPEAKING WHITES.
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